



Western world gold industry: Ownership and control 1995

by Andreas Tegen

The tables on the following pages are excerpts from **Raw Materials Data**, the database on ownership and production in the world's mineral industries. **Raw Materials Data** is compiled by the Raw Materials Group and is the only database of its kind covering more than 7 000 mining, refining and explorations companies active in more than 30 minerals. Readers of **Journal of Mineral Policy, Business and Environment – Raw Materials Report**, regularly get exclusive excerpts from **Raw Materials Data**.

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In the Western world gold mining industry one company, Anglo American Corp. of South Africa, is the clear leader, in 1995 controlling the production of 350 tonnes of gold, equal to 19 percent of total Western world production. Anglo American has been the largest company in gold for many decades, but its dominance has diminished rapidly since the 1970s, when it controlled over half of Western world gold production. This decline is mainly a reflection of the rapidly increasing production by other companies in North America and Australia. Anglo American has invested in gold mines in other parts of the world, but has been unable to maintain its controlled share. Anglo American is a diversified minerals group, although gold and diamonds are the two most important minerals in its activities. After Anglo American follow four North American companies with a heavy focus on gold: Barrick, Placer Dome, Newmont and Homestake, all with a controlled production exceeding 50 t. All these companies have increased their production dramatically in the latest decade. All these four companies are focused on North American gold, but Placer Dome and Homestake are also active in the Pacific, while Barrick and Newmont have invested in Latin America.

Corporate concentration in the gold mining industry has changed in two ways during the last decade. First, the share of the largest company has dropped from about 50 percent of Western world mine production in 1984 to 19 percent in 1995, which of course is a great reduction in the degree of concentration. On the other hand, many of the numerous smaller companies on the 1984 list have lost their independence after a wave of mergers and acquisitions. In 1984, the 50 largest companies except the largest (from rank 2 to rank 50) together controlled 37 percent of Western world gold production. In 1995, this figure had increased to 56 percent.

The concepts of ownership and control

In the following tables, two concepts are of basic importance, *ownership* and *control*. Ownership refers to holding of shares in a company and is easy to define and to measure. In principle the ownership figures are to be found in the share register. The concept of control is much more difficult to define and even more difficult to measure accurately. The following definitions is used:

To be in control is to have a possibility to act decisively on strategically important issues rather than to have day-to-day influence over a company. Such issues include the broad policies of a company, decisions on large investments, buying or selling of subsidiaries and authority to appoint or dismiss top management.

There are different ways of exercising control but ownership is of absolutely crucial importance. Consequently Raw Materials Group has used ownership and management as the two criteria. Empirical data has been derived mainly from corporate sources.

The ownership patterns, forming hierarchies from producers to controlling companies, have been quantified. On the basis of a model developed by the Raw Materials Group, all producers have been classified as independent or controlled by one or more parent companies. If a producer is considered fully controlled, all of its production is attributed to the controlling company. If a producer is partially controlled, only *a part* of its production is attributed to the controlling company. Most often, the controlled part is equal to the equity share of capital. But the controlled share is in some cases considered to be larger than the ownership share, as production theoretically controlled by small shareholders through dispersed ownership is always distributed to the large owners. Thus, all production of a specific producers is allocated to controlling companies at the top of the ownership hierarchies.

Table 1. Corporate control in gold mining in 1995

Controlling company/state, ranked by size of production and controlled producers (% control)		Country of incorp. or production	Producer's total prod t	Controlled share t	Share of Western world %
1. Anglo American Corp of South Africa		South Africa	–	353.79e	19.0
100%	Free State Consolidated Gold	South Africa	92.71	92.71	5.0
100%	Vaal Reefs Exploration & Mini	South Africa	66.17	66.17	3.5
100%	Western Deep Levels Ltd	South Africa	35.83	35.83	1.9
49%	Driefontein Consolidated Ltd	South Africa	50.89	25.03	1.3
100%	Randfontein Estates Gold Mini	South Africa	23.03	23.03	1.2
100%	Western Areas Gold Mining Co	South Africa	17.31	17.31	0.9
100%	Elandsrand Gold Mining Co Ltd	South Africa	15.44	15.44	0.8
100%	East Rand Gold and Uranium Co	South Africa	14.00	14.00	0.8
49%	Kloof Gold Mine	South Africa	26.81	13.19	0.7
70%	Jerritt Canyon Gold Mine	USA	10.20	7.14	0.4
76%	Buffelsfontein Gold Mining Co	South Africa	8.85	6.71	0.4
76%	Mineracao Morro Velho South Africa	Brazil	6.98	5.28	0.3
49%	Libanon Gold Mine	South Africa	9.15	4.50	0.2
100%	HJ Joel Gold Mining Co Ltd	South Africa	4.08	4.08	0.2
49%	Leeudoorn Gold Mine	South Africa	7.56	3.72	0.2
49%	Deelkraal Gold Mining Co Ltd	South Africa	6.60	3.25	0.2
100%	Cripple Creek & Victor Gold M	USA	2.38	2.38	0.1
44%	Saint Helena Gold Mines Ltd	South Africa	5.28	2.31	0.1
100%	Hudson Bay Mining & Smelting	Canada	1.98	1.98	0.1
94%	Navachab Gold Mine	Namibia	1.89	1.77	0.1
100%	Lindum Reefs Gold Mining Co L	South Africa	1.70e	1.70e	0.1
100%	Rustenburg Platinum Mines Ltd	South Africa	1.50e	1.50e	0.1
38%	Crixas Gold Mine	Brazil	3.93	1.49	0.1
76%	Jacobina Mineracao e Comercio	Brazil	1.42	1.07	0.1
12%	Winkelhaak Mines Ltd	South Africa	8.80	1.06	0.1
75%	Consolidated Murchinson Ltd	South Africa	1.00e	0.75e	0.0
42%	Palabora Mining Co Ltd	South Africa	0.70e	0.30e	0.0
100%	Big Springs Gold Mine	USA	0.05	0.05	0.0
2. Barrick Gold Corp		Canada	–	97.02	5.2
100%	Goldstrike (Betze-Post) Gold	USA	63.20	63.20	3.4
100%	Bousquet No 1 Gold Mine	Canada	6.85	6.85	0.4
100%	El Indio Copper/Gold Mine	Chile	5.98	5.98	0.3
100%	Bullfrog Gold Mine	USA	5.48	5.48	0.3
100%	Tambo Gold Mine	Chile	4.16	4.16	0.2
50%	Doyon Gold Mine	Canada	6.82	3.41	0.2
100%	Mercur Gold Mine	USA	3.16	3.16	0.2
100%	Golden Patricia Gold Mine	Canada	2.21	2.21	0.1
100%	Holt McDermott Gold Mine	Canada	2.06	2.06	0.1

Table 1. continued...

Corporate control in gold mining in 1995

Controlling company/state, ranked by size of production and controlled producers (% control)		Country of incorp. or production	Producer's total prod t	Controlled share t	Share of Western world %
33%	Pinson Mining Co	USA	1.46	0.49	0.0
3. Placer Dome Inc		Canada	–	70.11	3.8
100%	Misima Gold Mine	PNG	10.30	10.30	0.6
100%	Campbell Red Lake Mines Ltd	Canada	10.07	10.07	0.5
100%	Dome Gold Mine	Canada	7.97	7.97	0.4
25%	Porgera Gold Mine	PNG	26.40	6.60	0.4
100%	Kidston Gold Mines Ltd	Australia	6.40	6.40	0.3
50%	La Coipa Gold Mine	Chile	8.77	4.39	0.2
60%	Granny Smith Gold Mine	Australia	6.81	4.09	0.2
100%	Detour Lake Gold Mine	Canada	3.77	3.77	0.2
100%	Bald Mountain Gold Mine	USA	3.55	3.55	0.2
100%	Golden Sunlight Mines Inc	USA	2.79	2.79	0.1
100%	Kiena Gold Mines Ltd	Canada	2.69	2.69	0.1
100%	Sigma Gold Mines	Canada	2.43	2.43	0.1
60%	Cortez Gold Mine	USA	3.46	2.08	0.1
100%	Alligator Ridge Gold Mine	USA	1.25	1.25	0.1
100%	Yankee Gold Mine	USA	1.14	1.14	0.1
100%	Osborne (Trough Tank)	Australia	0.54	0.54	0.0
17%	Goldstrike (Tenneco) Gold Min	USA	0.19	0.03	0.0
4. Newmont Mining Corp		USA	–	60.06e	3.2
100%	Carlin Trend Gold Mines	USA	50.84	50.84	2.7
53%	Maqui Maqui Gold Mine	Peru	9.08	4.79	0.3
53%	Carachugo Gold Mine	Peru	8.09	4.27	0.2
40%	Black Cloud (Leadville) Mine	USA	0.40e	0.16e	0.0
5. Homestake Mining Co		USA	–	54.50	2.9
100%	Homestake Gold Mine	USA	12.53	12.53	0.7
50%	Super Pit	Australia	16.74	8.37	0.4
100%	McLaughlin Gold Mine	USA	7.52	7.52	0.4
50%	Williams Gold Mine	Canada	12.60	6.30	0.3
100%	Eskay Creek Gold Mine	Canada	6.11	6.11	0.3
100%	Nickel Plate Gold Mine	Canada	2.84	2.84	0.2
25%	Round Mountain Gold Mine	USA	10.71	2.68	0.1
50%	David Bell Gold Mine	Canada	4.95	2.48	0.1
40%	Snip Gold Mine	Canada	3.98	1.59	0.1
50%	Mount Charlotte Gold Mine	Australia	2.98	1.49	0.1
33%	Marigold Gold Mine	USA	2.17	0.72	0.0

Table 1. continued...

Corporate control in gold mining in 1995

Controlling company/state, ranked by size of production and controlled producers (% control)		Country of incorp. or production	Producer's total prod t	Controlled share t	Share of Western world %
100%	El Hueso Mine	Chile	0.60	0.60	0.0
100%	Santa Fe (Nevada) Gold Mine	USA	0.51	0.51	0.0
33%	Pinson Mining Co	USA	1.46	0.49	0.0
50%	Quarter Claim (n David Bell)	Canada	0.44	0.22	0.0
50%	Mount Percy Gold Mine	Australia	0.08	0.04	0.0
6. Rembrandt Group Ltd		South Africa	–	51.34	2.8
51%	Driefontein Consolidated Ltd	South Africa	50.89	25.86	1.4
51%	Kloof Gold Mine	South Africa	26.81	13.62	0.7
51%	Libanon Gold Mine	South Africa	9.15	4.65	0.2
51%	Leeudoorn Gold Mine	South Africa	7.56	3.84	0.2
51%	Deelkraal Gold Mining Co Ltd	South Africa	6.60	3.35	0.2
7. RTZ Corporation PLC		UK	–	50.57e	2.7
100%	Bingham Canyon Copper Mine	USA	16.33	16.33	0.9
100%	Kelian Gold Mine	Indonesia	11.48	11.48	0.6
100%	Peak Gold Mine	Australia	4.31	4.31	0.2
100%	Ridgeway Gold Mine	USA	3.45	3.45	0.2
100%	Barney's Canyon Gold Mine	USA	2.86	2.86	0.2
100%	Rio Tinto Zimbabwe Ltd	Zimbabwe	2.66	2.66	0.1
51%	Morro do Ouro (Brasilia) Gold	Brazil	5.03	2.57	0.1
100%	Flambeau Copper Mine	USA	2.18	2.18	0.1
51%	Denton-Rawhide Gold Mine	USA	3.76	1.92	0.1
40%	Cortez Gold Mine	USA	3.46	1.38	0.1
31%	Escondida Copper Mine	Chile	3.30	1.02	0.1
58%	Palabora Mining Co Ltd	South Africa	0.70e	0.40e	0.0
8. Gencor Ltd		South Africa	–	47.91e	2.6
100%	Beatrix Mines Ltd	South Africa	14.59	14.59	0.8
100%	Kinross Mines Ltd	South Africa	8.53	8.53	0.5
55%	Winkelhaak Mines Ltd	South Africa	8.80	4.82	0.3
100%	Unisel Gold Mines Ltd	South Africa	4.23	4.23	0.2
56%	Saint Helena Gold Mines Ltd	South Africa	5.28	2.97	0.2
77%	Sao Bento Mineracao South Africa	Brazil	3.16	2.45	0.1
100%	Leslie Gold Mines Ltd	South Africa	2.40	2.40	0.1
24%	Buffelsfontein Gold Mining Co	South Africa	8.85	2.14	0.1
100%	Impala Platinum Ltd	South Africa	2.00e	2.00e	0.1
100%	Barberton Mines Ltd	South Africa	1.46	1.46	0.1
77%	Selbaie Copper Mine	Canada	1.50e	1.16e	0.1

Table 1. continued...

Corporate control in gold mining in 1995

Controlling company/state, ranked by size of production and controlled producers (% control)		Country of incorp. or production	Producer's total prod t	Controlled share t	Share of Western world %
100%	Stilfontein Gold Mining Co Lt	South Africa	0.74	0.74	0.0
27%	Western Platinum Ltd	South Africa	1.50e	0.41e	0.0
9. Normandy Mining Ltd		Australia	-	47.52e	2.5
50%	Super Pit	Australia	16.74	8.37	0.4
100%	Mount Leyshon Gold Mine	Australia	7.37	7.37	0.4
100%	Granites Gold Mine	Australia	6.87	6.87	0.4
44%	Boddington Gold Mine	Australia	12.05	5.36	0.3
100%	Big Bell Gold Mine	Australia	3.51	3.51	0.2
100%	White Devil (Tennant Creek)	Australia	2.34	2.34	0.1
100%	Jubilee Gold Mine	Australia	2.24	2.24	0.1
100%	Kalgoorlie Tailings Retreatme	Australia	2.18	2.18	0.1
100%	Cue (Golden Crown, Great Fing	Australia	0.00	0.00	0.0
62%	Bounty (p. Mount Hope)	Australia	2.75	1.71	0.1
79%	Martha Hill (Waihi) Mine	New Zealand	2.00e	1.58e	0.1
50%	Mount Charlotte Gold Mine	Australia	2.98	1.49	0.1
100%	Warrego Tailings Gold Mine	Australia	0.85	0.85	0.0
18%	Marymia Hill Gold Mine	Australia	1.74	0.32	0.0
3%	Maqui Maqui Gold Mine	Peru	9.08	0.28	0.0
31%	Lero Gold Mine	Guinea	0.89	0.28	0.0
100%	Tennant Creek Copper/Gold Min	Australia	0.26	0.26	0.0
3%	Carachugo Gold Mine	Peru	8.09	0.25	0.0
7%	Cia de Minas Orcopampo South Africa	Peru	1.86	0.14	0.0
25%	Minera Shila South Africa	Peru	0.48	0.12	0.0
65%	Scuddles (Golden Grove) Zinc	Australia	0.12	0.08	0.0
50%	Mount Percy Gold Mine	Australia	0.08	0.04	0.0
7%	Julcani Mine	Peru	0.20e	0.01e	0.0
7%	Cia de Minas Recuperada South Africa	Peru	0.00	0.00	0.0
10. Freeport McMoran Copper & Gold Co		USA	-	42.33	2.3
100%	Ertzberg/Grasberg Copper/Gold	Indonesia	42.33	42.33	2.3
11. Randgold and Exploration Co Ltd		South Africa	-	37.99	2.0
100%	Harmony Gold Mining Co Ltd	South Africa	20.13	20.13	1.1
100%	East Rand Pty Mines Ltd	South Africa	8.18	8.18	0.4
100%	Blyvooruitzicht Gold Mining C	South Africa	3.99	3.99	0.2
100%	Doornfontein Gold Mining Co L	South Africa	3.67	3.67	0.2
100%	Durban Roodepoort Deep Ltd	South Africa	2.00	2.00	0.1

Table 1. continued...

Corporate control in gold mining in 1995

Controlling company/state, ranked by size of production and controlled producers (% control)		Country of incorp. or production	Producer's total prod t	Controlled share t	Share of Western world %
12. Anglovaal Ltd		South Africa	–	35.72e	1.9
100%	Hartebeestfontein Gold Mining	South Africa	25.20	25.20	1.4
100%	Lorraine Gold Mines Ltd	South Africa	6.59	6.59	0.4
100%	Eastern Transvaal Cons. Mine	South Africa	3.21	3.21	0.2
100%	Village Main Reef Gold Mining	South Africa	0.47	0.47	0.0
25%	Consolidated Murchinson Ltd	South Africa	1.00e	0.25e	0.0
13. Santa Fe Pacific Corp		USA	–	26.30e	1.4
100%	Twin Creeks Gold Mine	USA	13.40e	13.40e	0.7
100%	Lone Tree Gold Mine	USA	7.40	7.40	0.4
100%	Mesquite Gold Mine	USA	5.50e	5.50e	0.3
14. Western Mining Corp Holdings Ltd		Australia	–	25.51	1.4
100%	Saint Ives Gold Mines	Australia	10.60	10.60	0.6
100%	Mount Magnet (Hill 50) Gold M	Australia	4.62	4.62	0.2
100%	Agnew (Leinster) Gold Mine	Australia	4.46	4.46	0.2
100%	Norseman Gold Mine	Australia	3.09	3.09	0.2
40%	Hedges Gold Mine	Australia	3.25	1.30	0.1
100%	Olympic Dam Copper/Gold Mine	Australia	0.97	0.97	0.1
100%	Mara Rosa Gold Mine	Brazil	0.35	0.35	0.0
100%	Hog Ranch Gold Mine	USA	0.10	0.10	0.0
15. Echo Bay Mines Ltd		Canada	–	23.47	1.3
100%	McCoy/Cove Gold Mine	USA	9.64	9.64	0.5
50%	Round Mountain Gold Mine	USA	10.71	5.36	0.3
100%	Lupin Gold Mine	Canada	5.35	5.35	0.3
100%	Kettle River Gold Mine	USA	3.12	3.12	0.2
16. Battle Mountain Gold Co		USA	–	22.14	1.2
100%	Empresa Minera Inti Raymi	Bolivia	10.50	10.50	0.6
100%	Red Dome Gold Mine	Australia	3.46	3.46	0.2
100%	San Cristobal Gold Mine	Chile	2.50	2.50	0.1
100%	Battle Mountain Gold Mine Com	USA	2.30	2.30	0.1
100%	San Luis Mine	USA	2.20	2.20	0.1
100%	Pajingo Gold Mine	Australia	1.16	1.16	0.1

Table 1. continued...
Corporate control in gold mining in 1995

Controlling company/state, ranked by size of production and controlled producers (% control)		Country of incorp. or production	Producer's total prod t	Controlled share t	Share of Western world %
17. Broken Hill Pty Co Ltd		Australia	–	21.58	1.2
100%	Ok Tedi Copper/Gold Mine	PNG	14.99	14.99	0.8
100%	Syama Mine	Mali	3.97	3.97	0.2
59%	Escondida Copper Mine	Chile	3.30	1.95	0.1
100%	Island Copper Mine	Canada	0.66	0.66	0.0
18. Lonrho PLC		UK	–	20.77e	1.1
59%	Ashanti Goldfields Corp (Ghan	Ghana	28.72n	16.89n	0.9
59%	Cluff Resources (Zimbabwe) Lt	Zimbabwe	2.80e	1.65e	0.1
73%	Western Platinum Ltd	South Africa	1.50e	1.10e	0.1
59%	Ayanfuri Gold Mine	Ghana	1.60e	0.94e	0.1
100%	Duiker Mining Ltd (p. Duiker	South Africa	0.19n	0.19n	0.0
19. Malaysia Mining Corp (State)		Malaysia	–	20.11	1.1
100%	Plutonic Gold Mine	Australia	5.16	5.16	0.3
100%	Mt Muro Gold Mine	Indonesia	4.30	4.30	0.2
100%	Mount Morgans (WA) Mine	Australia	2.83	2.83	0.2
100%	Meekatharra Mines (Dominion)	Australia	1.94	1.94	0.1
67%	Peak Hill (WA) Gold Mine	Australia	2.67	1.78	0.1
100%	Lawlers Gold Mine	Australia	1.32	1.32	0.1
100%	Rishton Gold Mine	Australia	1.17	1.17	0.1
100%	Bellevue Gold Mine	Australia	0.83	0.83	0.0
49%	Mamut Copper/Gold Mine	Malaysia	1.53	0.75	0.0
22%	Mineral Hill Gold/Copper Mine	Australia	0.10	0.02	0.0
20. Newcrest Mining Ltd		Australia	–	19.66	1.1
100%	Telfer Gold Mine	Australia	12.04	12.04	0.6
100%	New Celebration Gold Mine	Australia	2.86	2.86	0.2
22%	Boddington Gold Mine	Australia	12.05	2.68	0.1
100%	Ora Banda Gold Mine	Australia	1.76	1.76	0.1
20%	Tuckabianna Gold Mine	Australia	1.48	0.30	0.0
Ten largest			–	875.15	47.0
Twenty largest			–	1128.40	60.7
Total, Western world				1865.13	100.0
Total world				2270.00	–

Notes: e estimate, n non calender year